

1 MR. TENREIRO: For example,
2 MXN/XRP cross absent being paid by Ripple
3 to do so.

4 A. So the question is would the market
5 makers be making those markets?

6 Q. Yes.

7 A. It's -- it's hard to say. If they had
8 interest in making those markets independent of
9 Ripple, they absolutely could.

10 Q. Before Ripple to enter agreements with
11 GSR and [REDACTED] do you know of other participants
12 making markets in, you know, MXN XRP?

13 A. I don't recall offhand what the
14 liquidity was then.

15 Q. Okay. How much do the market maker
16 contracts with respect to ODL cost Ripple?

17 A. I don't remember all the numbers, but
18 broadly there was -- there was a variable fee
19 component and a fixed fee component. I think
20 the variable fee was, like, [REDACTED] something basis
21 points but I don't recall specifics.

22 Q. How -- what are the total costs to
23 Ripple of the ODL product incentives that it
24 pays? So not just the market makers but, for
25 example -- well, let's establish -- I mean, does

1 Ripple pay, for example, MoneyGram, or when
2 MoneyGram was on board with ODL, did Ripple pay
3 incentives to MoneyGram?

4 A. You asked me that earlier, but I'm not
5 sure. I'm not privy to that.

6 Q. You're not privy to that part. You're
7 only privy between the relationship between the
8 market maker and Ripple?

9 A. Correct.

10 Q. Are you privy to any other payments
11 that Ripple might provide with respect to ODL?

12 A. Not that I know of.

13 Q. Okay. And I did ask you this, but I'm
14 going to have to ask you again because I forgot.

15 A. Okay.

16 Q. What revenues does Ripple make from
17 ODL?

18 A. I'm not aware. I don't know.

19 Q. Okay. Do you know whether it -- do
20 you know whether it's sufficient revenues to
21 sort of turn a profit on these payments that
22 they make with respect to ODL?

23 A. I'm not aware.

24 Q. So you don't know either way?

25 A. I do not know.

1 Q. Okay. Does -- in terms of disclosure
2 and transparency, does Ripple disclose the
3 nature of its relationship with market makers
4 that provide ODL liquidity?

5 A. I don't think we've named them
6 explicitly. When you say "does Ripple" --
7 sorry, the question was is Ripple transparent?

8 Q. No. Does Rip --

9 A. Is that what --

10 Q. No. Does Ripple provide information
11 to the market about its relationship with the
12 market makers in the context of their ODL
13 relationship with Ripple?

14 A. I'm not sure I can think of an example
15 of where they're cited, but it's possible. I
16 don't know.

17 Q. Is -- is that information that, in
18 your estimation, the market would want to know?

19 MS. ZORNBERG: Objection.

20 A. Hard to say.

21 Q. Why is it hard to say?

22 THE COURT REPORTER: Repeat.

23 A. I just don't know why it's relevant.

24 Q. I'm sorry, you don't know why it's
25 relevant to the market? Is that what you mean?

1 A. A private relationship with an
2 individual market maker is -- I don't know -- I
3 wouldn't view that as something that is
4 necessary to communicate. But, again, Ripple
5 may very well have. I just don't recall if
6 they've shared that or not.

7 Q. Have you been involved in efforts to
8 share that information?

9 A. Not that I recall.

10 Q. Is it -- is it your view that O -- the
11 existence of the ODL platform provides liquidity
12 for the XRP market?

13 A. Is it -- sorry, repeat the question.

14 Q. Yes.

15 Does the ODL platform provide
16 liquidity for the XRP market?

17 A. Yes.

18 Q. Okay. To the extent that -- is it
19 your view that the market wants to know about
20 things that might provide liquidity to the XRP
21 market?

22 A. Say -- repeat the question.

23 Q. Is it your view that the market would
24 want to know about things that might provide
25 liquidity to the XRP market?

1 MS. ZORNBERG: Object to form.

2 A. Yeah. I mean, they want to understand
3 market liquidity overall.

4 Q. Yeah, but -- okay.

5 Does Ripple provide information, for
6 example, about the payments that it makes to
7 market makers to provide ODL liquidity as far as
8 you know?

9 A. I saw no attempts to, like, hide that
10 at all. I just don't think that it -- I don't
11 recall it being publicly disclosed, like in a
12 markets report, for example.

13 Q. Right.

14 But separate from attempts to hide it,
15 which I'm not discussing, why was it not
16 publicly disclosed in the markets report to the
17 extent it was not?

18 A. Private relationships with individual
19 market makers doesn't seem like something that
20 would be appropriate to be shared in a public
21 report.

22 Q. Okay. Can the O -- can the ODL
23 platform function without liquidity provided by
24 market makers on the receiving exchange?

25 A. It's something that would be tested,

1 and I think over time, yes. So, for example, I
2 remember in the early days looking at volume on,
3 say, **Bitso** before we started the MGI flow. And
4 looking at those traded volumes at that time,
5 they were insufficient to be able to support the
6 liquidity that we needed in order to make, say,
7 MGI's payments go through. But --

8 Q. I'm sorry, they were insufficient?

9 A. Right.

10 Q. Okay.

11 A. And so that was the reason for needing
12 market makers support on developing liquidity on
13 those platforms. But also over time, as crypto
14 matures and exchanges mature and volumes
15 increases and liquidity increases, we would
16 expect less reliance on market makers. And
17 depending upon the individual corridor,
18 that's -- you know, more or less support may be
19 required in order to ensure the payments go
20 through.

21 Q. The individual corridors, can you
22 explain what -- what corridors are you talking
23 about?

24 A. Excuse me. So ODL is active in a
25 number of corridors. Some examples are Mexico,

1 the Philippines. There's a few others, too.

2 Q. Okay. And the ones you know, the --
3 the -- there's market makers actually on behalf
4 of Ripple to create a market in those corridors
5 on the receiving end?

6 A. When you say "create a market," I
7 disagree with that statement, but there are
8 market makers that are on those exchanges, on
9 those order books, creating two-sided markets.

10 Q. And creating liquidity?

11 A. Yeah. Liquidity is created through
12 market making.

13 Q. Okay. And so today -- I understand
14 your view about over time as crypto matures.
15 Today, without the market makers providing
16 liquidity, can ODL function?

17 A. So, again, it depends on the
18 individual corridor. And I don't know the
19 numbers offhand, but, you know, something like,
20 you know, when we started if you said 30 percent
21 of the flow could have been supported by natural
22 liquidity, that -- those number -- the natural
23 liquidity support increased over time meaning
24 that there's less reliance on the market makers
25 over time.

1 Q. Right. But I'm just asking today, not
2 over time.

3 Today, which of these corridors could
4 function without the market makers --

5 A. I don't know the numbers offhand --

6 (Indiscernible cross talk; reporter
7 requests one speaker.)

8 THE COURT REPORTER: Today, which
9 of these corridors --

10 BY THE COURT REPORTER:

11 Q. -- could function without market
12 makers providing liquidity on the receiving end?

13 A. Yeah, I don't know offhand.

14 Q. Okay. With respect -- and how would
15 you -- if you wanted to know, how would you find
16 out? What would you look at or who would you
17 talk to?

18 A. So we would look at reports that the
19 market makers provide to our data team regarding
20 what trade flow that they've executed on the
21 exchange and compare that to the ODL trade
22 information that the product team would provide
23 to us regarding what trades were sent to that
24 exchange for ODL and then compare those two and
25 see what percentage of the flow that was sent

1 from OD -- from Ripple through ODL onto that
2 given exchange and what percentage of that total
3 flow was executed through market makers versus
4 other market participants.

5 Q. And so you say the data team and the
6 product team. Can you tell me the individuals
7 at those teams that might have that -- those --
8 that data or those --

9 A. Excuse me.

10 Q. -- reports?

11 A. So the -- the product team is run by
12 Asheesh Birla and the data team, [REDACTED]

13 Q. Okay. What is the size of the
14 remittance market between the United States and
15 Mexico?

16 A. I don't know offhand.

17 Q. Okay. What is the size of the
18 remittance market between Mexico and the United
19 States?

20 A. I don't know offhand.

21 Q. Does someone -- do you know if
22 somebody at Ripple knows that information?

23 A. I would imagine so.

24 Q. Okay. Who would that be?

25 A. Perhaps the data team.

1 Q. Okay. Do you know whether the
2 U.S.-Mexico sort of flow is -- how it compares
3 with the size of Mexico-U.S. flow of funds?

4 A. I don't.

5 Q. Okay. And does Ripple disclose ODL
6 volume?

7 A. I can't recall offhand. If we could
8 check a markets report, that could be validated.

9 Q. You can't recall -- you can't recall
10 either way if it's disclosed or not?

11 A. I don't know if it's disclosed in the
12 markets report.

13 Q. Would you -- I think you called it
14 Ripple's flagship product at some point, ODL?

15 A. Yes.

16 Q. Okay. So is -- isn't information
17 about that product important if it's the
18 flagship product?

19 A. I would say yeah.

20 THE COURT REPORTER: Could you
21 repeat? Repeat.

22 Q. So isn't information about that
23 product important if it's the flagship product?

24 Answer?

25 A. I would say.

1 MR. TENREIRO: Okay. Let's --
2 this is a good time for a break. I have
3 one last topic and let's just take five
4 minutes.

5 THE WITNESS: Okay. That would
6 be good. I need coffee.

7 THE VIDEOGRAPHER: The time right
8 now is 5:13 p.m. We're off the record.

9 (Whereupon, a recess is taken.)

10 THE VIDEOGRAPHER: The time right
11 now is 5:28 p.m. We're back on the
12 record.

13 (Whereupon, exhibit is presented
14 and marked SEC Madigan Exhibit 21 for
15 identification.)

16 BY MR. TENREIRO:

17 Q. So Exhibit 21 is RPLI_SEC 301757
18 titled "Weekly Presentation XRP Markets." I'm
19 not going to spend time on the pages themselves
20 except for maybe the first two.

21 A. Sure. Okay.

22 Q. So just -- just generally, is -- what
23 is this document generally? Not this one
24 specifically, but this kind of document.

25 A. Yes. This appears to be one of the

1 weekly market meeting documents.

2 Q. Was these for -- was this for these
3 Friday meetings or for the other meetings you
4 had?

5 A. For the Friday meetings.

6 Q. Okay. And who prepared these decks to
7 the extent they -- were they prepared for every
8 Friday meeting typically?

9 A. Yes.

10 Q. Okay. And who would prepare them?

11 A. Again, a combination of people.
12 Primarily [REDACTED] more recently on my team.

13 Dinuka prior to him. And then, depending upon
14 the section, [REDACTED] legal, Ron.

15 Q. Would you review them before they were
16 finalized?

17 A. Generally, yes.

18 Q. All right. Because they were -- fair
19 to say they were sent to Mr. Garlinghouse and
20 Mr. Larsen to the extent they were going to
21 participate in the Friday meeting?

22 THE COURT REPORTER: I'm sorry, I
23 can't understand you, Jorge.

24 MR. TENREIRO: Sorry, Bridget.

25 Q. Fair to say they were sent to

1 Mr. Garlinghouse and Mr. Larsen to the extent
2 they participated in the Friday meeting? Is
3 that fair?

4 A. Yes.

5 Q. Okay. Just on the third page,
6 "Executive Summary," you discuss "Overall
7 digital asset market cap" in the first bullet
8 point, and in the second bullet point, you talk
9 about "XRP price fell WOW."

10 Is that week over week?

11 A. Mm-hmm.

12 Q. Yes or no, please.

13 A. Yes. Sorry.

14 Q. Sorry. And then you say "YTD minus .6
15 percent."

16 Is that year to date?

17 A. Yes.

18 Q. Okay. Who decided that the XRP price
19 was going to be the second bullet point on this
20 deck?

21 A. Whoever put it together this week put
22 it there. I don't recall a specific decision.
23 Sorry.

24 Q. Were these Friday meetings occurring
25 before you arrived or were they a new thing when

1 you started?

2 A. Before I arrived.

3 Q. Okay. And as far as you know, were
4 the decks being circulated for the Friday
5 meetings before you arrived?

6 A. Yes.

7 Q. Okay. And sitting here today, I know
8 you don't have every deck, but was the price of
9 XRP, the change in the price, typically
10 discussed in the executive summary for the
11 weekly decks?

12 A. In general, price, market cap,
13 volumes, other metrics tended to be involved in
14 the summary.

15 Q. I'm sorry. Market cap, price,
16 volumes.

17 A. Yeah.

18 Q. Those are the three -- the first
19 bullets?

20 A. Yeah. In this one they are, but over
21 my two-plus years, the composition and order of
22 slides may have changed from time to time.

23 Q. When you say -- when it says "social
24 listening," can you -- what does "social
25 listening" there?

1 A. Yeah. So I alluded to this a little
2 bit earlier when -- when we were talking about
3 the communications team. And there was a subset
4 of the communications team that was looking at
5 what the conversation was in social media. We
6 talked about the Twitter verse, et cetera. And
7 so there was a -- one or two members of the
8 team, in the communications team, that would
9 look at what is the conversation around Ripple
10 and XRP in the -- in the public sphere.

11 Q. Okay. Please turn to the page, the
12 bottom will say 301762. That's the number. The
13 title of the slide is "What is Inflation/Purpose
14 of Study."

15 A. Uh-huh. Right. This is what you were
16 talking about before.

17 Q. Just generally speaking, what is --
18 what was this about?

19 A. So this was the study I mentioned
20 earlier that Brad and -- and [REDACTED] kicked off.
21 And it was trying to figure out in -- in the
22 spirit we mentioned earlier of communicating
23 transparently with the market around Ripple's
24 supply of XRP, how it's introduced, and figuring
25 out how to communicate to the market more

1 accurately around this topic.

2 Q. The topic of Ripple's supply of XRP?

3 A. Right.

4 Q. Does that include Ripple's supply of
5 XRP entering into the market?

6 A. Yes.

7 Q. Okay. Is it fair to say from
8 reviewing the slides that at some point in the
9 Friday meetings, there was a discussion about
10 different methodologies to sort of measure what
11 you call here the inflation?

12 MS. ZORNBERG: Objection.

13 Q. If you look at the next page, for
14 example.

15 A. Yes. I do recall this was a topic in
16 one of the meetings.

17 Q. Okay. And, again, just to be clear,
18 because I'm getting a little confused, inflation
19 in this context means inflation of supply, not
20 inflation of price, right?

21 A. Right.

22 Q. Okay. And on the next page, the one
23 that is called "XRP Inflation Recommended
24 Methodology," can you please turn to that page?
25 It's the next one. At the bottom it says

1 301764.

2 A. 764, okay. Okay.

3 Q. "Recommended Methodology." Do you see
4 that?

5 A. Sure. Yeah.

6 Q. Okay. Just read it to yourself,
7 please. I just want to make sure we're on the
8 same page.

9 A. Sure.

10 (Pause)

11 A. Okay.

12 Q. What -- what is this methodology?

13 A. This is a methodology that I believe
14 [REDACTED] from the advisory team came up with as one
15 potential way to think about XRP inflation.

16 THE COURT REPORTER: I'm sorry,
17 could you repeat your answer? I don't
18 think I got that.

19 THE WITNESS: Sure.

20 Q. [REDACTED]

21 A. This -- if I recall correctly, this is
22 one methodology that [REDACTED] from the advisory
23 team came up with as a potential way to
24 communicate XRP inflation to the market.

25 Q. Was this methodology ultimately

1 adopted in terms of Ripple's way of
2 communicating information about XRP inflation?

3 A. I don't recall a definitive outcome on
4 that topic of inflation.

5 Q. He had listed pros and cons of the
6 methodology.

7 Do you see that?

8 A. I do.

9 Q. It says "Cons: Ripple's role could be
10 perceived negatively vis-a-vis the
11 'centralization narrative.'"

12 Do you see that?

13 A. I do.

14 Q. What is the "centralization
15 narrative"?

16 A. I'm not sure exactly what me meant
17 there.

18 Q. Was this topic discussed at the Friday
19 meeting where this deck was circulated?

20 A. I believe so.

21 Q. What was discussed?

22 A. I don't recall exactly except that
23 high level I recall that the objective was to
24 think about how Ripple communicates around
25 inflation and explore whether or not there was

1 an opportunity to provide increased clarity
2 around the topic.

3 Q. Did Mr. Garlinghouse attend the
4 meeting where this was discussed?

5 A. I believe so.

6 Q. Did Mr. Larsen?

7 A. I don't recall.

8 Q. Did Mr. -- what did
9 Mr. Garlinghouse -- excuse me.

10 What did Mr. Garlinghouse say about
11 this proposed methodology?

12 A. I don't recall.

13 Q. And what did others say about the
14 proposed methodology vis-a-vis the
15 centralization narrative?

16 A. I don't recall.

17 Q. Okay. Let's set that aside, please.

18 A. Sure.

19 Q. Ms. Madigan, what is XRP-O?

20 A. XRP Origination.

21 Q. What does that mean?

22 A. So XRP Origination was a product
23 innovation introduced more recently. I don't
24 remember exactly when. But it came in response
25 to client requests around -- okay. So we talked

1 about the -- the ODL workflow where, you know,
2 the client has, say, dollars. They send it to
3 an originating exchange and that exchange swaps
4 the dollar for XRP. The XRP gets sent cross
5 border --

6 THE COURT REPORTER: Slow down.

7 "They send it to an original exchange"?

8 A. Yes. And then at the originating
9 exchange, the dollars would be swapped into XRP,
10 and then the XRP would be sent across border to
11 the destination exchange. And at the
12 destination exchange, that XRP would then be
13 swapped into the local currency. In the example
14 we've been using today, if it was Mexico, it
15 would be Mexican pesos, Bitso.

16 So I am referencing that workflow
17 because XRP-O was an innovation on that workflow
18 in response to client requests. So MGI, as an
19 example, rather than sending dollars to the
20 originating exchange and having to swap that
21 into XRP, said maybe we should just take
22 delivery of the XRP directly and we can then
23 send it to the destination exchange as they
24 became more sophisticated in crypto.

25 And so "XRP-O" is the term that was

1 used around the clients having the XRP
2 directly -- excuse me -- and basically doing
3 away with the first leg of that trade.

4 Q. Directly from whom?

5 A. Directly from Ripple.

6 Q. With no market maker involvement?

7 A. In ter -- no market maker involvement

8 --

9 Q. On that side.

10 A. -- on that side. Not that I know of.

11 Q. Did that actually happen, XRP-O?

12 A. Yeah.

13 Q. Was that the first time that Ripple
14 sold XRP directly to OD -- excuse me, to ODL
15 users?

16 A. I'm not aware if there was other
17 instances.

18 Q. Okay. How much XRP has Ripple sold
19 with respect to the X -- you know, in XRP-O?

20 A. I don't know the numbers offhand.

21 Q. Just a general ballpark.

22 A. I don't want to speculate because I
23 don't know the numbers offhand.

24 Q. Who would have those numbers?

25 A. The head of product, Asheesh.

1 Q. Okay. And so was XRP-O good for
2 Ripple?

3 A. What do you mean by "good for Ripple"?

4 Q. Was it something desirable for the
5 company?

6 A. It's hard for me to comment on what's
7 desirable for the company at large. I know that
8 that product innovation was developed in
9 response to client requests.

10 Q. Was it desirable from your
11 perspective?

12 A. I didn't have a view on its -- the
13 innovation's desirability or lack thereof.

14 Q. What -- did you have a view at all
15 about the innovation of XRP-O?

16 A. It seemed logical to want to respond
17 to client requests.

18 Q. Did you come to become concerned that
19 XRP-O could result in a negative impact on XRP's
20 price?

21 A. So over time -- not with respect to
22 price, but over time, as we looked at the impact
23 on the destination exchanges, as we talked about
24 before, when there's high volume of
25 one-directional flow in significant -- so if it

1 was a significant sell order with no offsetting
2 buy order, for example, that can have a drying
3 up effect on liquidity.

4 Q. Okay. So Ripple selling XRP to ODL
5 clients could have a drying up effect on
6 liquidity?

7 A. That's not what I said actually.

8 Q. Okay.

9 A. So I'd like to restate.

10 Q. Yes.

11 A. The -- if the client is taking their
12 delivery of the XRP directly and sending it to
13 Bitso in that example and the -- and that client
14 is selling the XRP for that destination
15 currency -- in that example, it might be Mexican
16 peso -- that is only one-directional flow, all
17 selling of XRP.

18 Q. And that -- okay.

19 So what -- what is the problem with
20 that?

21 A. So we've talked before about healthy
22 liquid markets. And having order books with
23 two-sided flow, buying and selling, tends to
24 produce healthier liquid markets.

25 Q. Well, but when the -- when the client

1 -- so the client -- when you say "client," you
2 mean, for example, MGI as opposed to MGI's
3 customer, my mom and -- and dad --

4 A. Right.

5 Q. -- example kind of thing?

6 A. MGI.

7 Q. Okay. So, I'm sorry, I apologize. I
8 just want to be clear.

9 So the client, when they sell XRP in
10 Bitso, someone's buying it, right? They -- for
11 them to sell it?

12 A. Yeah.

13 Q. Okay. Doesn't Ripple want to, you
14 know, sell its XRP for, you know, use on an ODL
15 platform?

16 A. Ripple is interested in promoting the
17 utility around XRP for ODL, making sure that the
18 product runs smoothly. So when that product
19 innovation was introduced, we saw a drying up
20 impact on liquidity.

21 Q. And the drying -- was the drying up
22 impact on liquidity -- I'm sorry, did you --
23 sorry. Let me start again.

24 Did you also see -- when the product
25 was introduced, did you also see a decrease in

1 the price of XRP?

2 A. When what product was introduced?

3 Q. XRP-O.

4 A. Oh. I'm not sure where the price was
5 trading when XRP-O was introduced.

6 Q. All right.

7 MR. TENREIRO: Let's look at
8 Exhibit 28, which is going to be a
9 five-page e-mail, 503252.

10 (Whereupon, exhibit is presented
11 and marked SEC Madigan Exhibit 28 for
12 identification.)

13 (Pause)

14 A. Okay.

15 Q. Okay. So in this series of e-mails,
16 let's start with Friday, January 10th, 2020,
17 towards the end. Mr. Samarasinghe e-mails
18 Asheesh.

19 Is that Asheesh Birla?

20 A. Yes.

21 Q. Okay. And he says "In general, the
22 markets team does not see" -- strike that. Let
23 me -- let me go further up.

24 He says "We appreciate you asking for
25 the market team's thoughts on XRP Origination at

1 yesterday's ODL WBR."

2 What's "WBR"?

3 A. I don't remember.

4 Q. Okay.

5 A. It's a meeting. I don't know what the
6 acronym stands for.

7 Q. Fair enough.

8 Does the -- did the market team come
9 up with thoughts on XRP Origination?

10 A. It looks like Dinuka came up with some
11 thoughts that he provided there.

12 Q. Well, he says, though, "the markets
13 team's thoughts."

14 Is that not his -- is he --

15 A. I don't think Dinuka is speaking for
16 anybody other than himself.

17 Q. Despite --

18 A. But I -- yeah. This is Dinuka's
19 e-mail so I can't -- and I don't recall him
20 soliciting my opinion on this matter until after
21 this back-and-forth.

22 Q. Okay. Read -- having read the e-mail,
23 did you share his -- his thoughts that he
24 expresses here at the time?

25 A. So I -- I scanned this pretty quickly,

1 but it looks like he's concerned around the --
2 the impact that Phase 3, which, again, I'm not
3 re -- I think Phase 3 might be what XRP-O
4 originally ended up being, would have with
5 one-directional flow, significant
6 one-directional flow, and what that might do on
7 the order book which is, again, referencing
8 liquidity.

9 Q. For example, "we'd expect ODL XRP
10 Origination at any significant scale to have a
11 negative impact" --

12 THE COURT REPORTER: I'm sorry, I
13 don't know -- I can't hear you and I -- I
14 don't know where you're reading from.

15 Q. The third white bullet point where he
16 says "However, we'd expect ODL XRP Origination
17 at any significant scale to have a negative
18 impact on XRP price."

19 Do you see that?

20 A. I'm sorry, where? In his original
21 thing?

22 Q. Yes.

23 A. However, we -- okay. Okay.

24 Q. Do you see that?

25 A. I do see that, yeah.

1 Q. And he says "we," right?

2 A. He does say that.

3 Q. Okay. So -- but is it your testimony
4 that he's only speaking for himself, not for the
5 whole team here?

6 MS. ZORNBERG: Objection.

7 A. Yeah.

8 MS. ZORNBERG: Asked and
9 answered. This is a draft e-mail that he
10 shared for others' views. So he drafted
11 it.

12 Q. What's your answer?

13 A. That's my answer. The same answer I
14 gave prior.

15 Q. I'm going to ask again.

16 A. Sure.

17 Q. Is it your testimony that he's only
18 speaking for himself in this e-mail and not the
19 whole team?

20 A. Yes. This is an e-mail he drafted
21 himself and then shared with the team.

22 Q. Okay. And did you respond to his
23 draft?

24 A. It looks like I did on Friday,
25 January -- or January 10th.

1 Q. And what -- and you said "It's long.

2 AB likes things punchy."

3 That's Asheesh Birla?

4 A. Mm-hmm.

5 Q. "Feel free to pop this into a Google

6 doc and I'll update there."

7 Do you see that?

8 A. Mm-hmm.

9 Q. Did you do that?

10 A. I don't recall.

11 Q. Okay.

12 MR. TENREIRO: Let's look at

13 Exhibit 29.

14 (Whereupon, exhibit is presented

15 and marked SEC Madigan Exhibit 29 for

16 identification.)

17 MR. TENREIRO: And that's a

18 document, two pages, RPLI_SEC 504441.

19 (Pause)

20 A. Okay.

21 Q. Ms. Madigan, comparing Exhibit 28, his

22 last e-mail, to what's in Exhibit 29, does that

23 refresh your memory that Mr. Samarasinghe might

24 have taken you up on your suggestion to put, you

25 know, his thoughts in a Google doc --

1 A. It appears --

2 Q. -- for you to comment on?

3 A. It appears he did.

4 Q. Okay. And do -- did you express
5 disagreement with any of his draft ODL XRP
6 Origination concerns?

7 A. I can't tell from this what was --
8 let's see. It says, like, action items
9 accepted, rejected. I don't know what was
10 accepted or rejected. I can't read this barely.

11 Q. Let me ask you this: Did the markets
12 team come to be concerned that XRP-O might be
13 pushing down the price of XRP?

14 A. So as I mentioned, we are concerned
15 with liquidity. Price is one component of
16 liquidity. And so large one-directional flow
17 can have a negative impact on liquidity.

18 Q. But ODL is, I think you said, Ripple's
19 flagship product, right?

20 A. It is.

21 Q. So to the ex --

22 THE COURT REPORTER: I'm sorry,
23 Ripple's what product?

24 MR. TENREIRO: Flagship product.

25 A. And I should -- I should note as well,

1 I refer to it that way. I don't know if that's,
2 like, a Ripple term, but I consider it a
3 flagship product because it's that's primary
4 product that we focus on. That's my language.

5 Q. And in -- in your experience, in your
6 professional experience, for a company's
7 flagship product, does it want to sell more of
8 it typically?

9 MS. ZORNBERG: Objection.

10 A. So what do you mean by "sell more of
11 it"?

12 Q. Does it want it to be used more?

13 A. Presumably.

14 Q. Okay. And XRP-O, was that causing ODL
15 to be used more or less?

16 A. I'm not sure.

17 Q. You're not sure.

18 Did you ever come to know whether
19 XRP-O would cause Ripple's flagship product to
20 be used more or less?

21 A. No.

22 Q. Did you ever ask anyone that question?

23 A. No.

24 Q. Was that a concern you had or a
25 curiosity you ever had?

1 A. No.

2 Q. Why not?

3 A. Just didn't concern me. It wasn't my
4 mandate, to sell X -- to sell ODL.

5 Q. So your mandate was to?

6 A. Help build liquidity for XRP.

7 Q. Okay. And more use of ODL would not
8 help liquidity for XRP?

9 A. I didn't say that.

10 Q. Well, let me ask you then: Would
11 use -- more use of ODL -- of ODL help build
12 liquidity for XRP?

13 A. I generally would think so.

14 Q. Okay. So in the context of that, did
15 you not ever have curiosity to ask whether XRP-O
16 would result in more use of ODL?

17 MS. ZORNBERG: Objection.

18 A. So can you clarify the question?

19 Q. Yes.

20 In the context of, you know, you
21 generally thinking that ODL would help in
22 liquidity for XRP, you did not ever have
23 occasion to ask someone if XRP-O would result in
24 more use of ODL?

25 MS. ZORNBERG: Objection.

1 A. I answered that question and I did not
2 ask that question of anybody internally.

3 Q. Without you asking that question, did
4 anyone provide you that information on their
5 own?

6 A. No.

7 Q. Okay. And I understand that you did
8 not ask that question; that no one provided you
9 that information.

10 Did anyone direct you to find out that
11 information but maybe you just didn't do it for
12 whatever reason?

13 MS. ZORNBERG: Objection.

14 A. Not that I recall.

15 Q. Okay.

16 MR. TENREIRO: Let's look at
17 Exhibit 31.

18 (Whereupon, exhibit is presented
19 and marked SEC Madigan Exhibit 31 for
20 identification.)

21 MR. TENREIRO: And the
22 attachment, which is Exhibit 34.

23 (Whereupon, exhibit is presented
24 and marked SEC Madigan Exhibit 34 for
25 identification.)

1 MR. TENREIRO: So that's going to
2 be -- the e-mail is RPLI_SEC 302044. It's
3 just a cover e-mail. And the attachment
4 is a deck that starts at 302045. So let's
5 look at both.

6 MS. ZORNBERG: Look at both?

7 MR. TENREIRO: Yeah, both of
8 them.

9 THE WITNESS: Okay.

10 MR. TENREIRO: Sorry? 31 and 34.

11 BY MR. TENREIRO:

12 Q. So, Ms. Madigan, the -- the cover
13 e-mail, which is Exhibit 31, just fair to say
14 you're sending a deck, re XRP-O, to Ms. [REDACTED]

15 A. Yes.

16 Q. Is that fair?

17 And when you say "we've pulled
18 together," who are you referring -- who's "we"
19 in that e-mail?

20 A. [REDACTED] advisory team, a couple
21 members of my team, Ron Will and legal, and a
22 couple of others were involved in conversation.

23 Q. And the subject is "XRP-O Supply
24 Concerns," right?

25 A. Yes.

1 Q. Okay. Now let's turn to the deck,
2 which is Exhibit 34.

3 A. Mm-hmm.

4 Q. The title, also, "XRP-O Supply
5 Concerns," is that right?

6 A. That is correct.

7 Q. Okay. On page 3 of the deck, you
8 start with "Executive Summary."

9 A. Mm-hmm.

10 Q. "XRP began underperforming BTC since
11 BTC halving in early May" --

12 A. Mm-hmm.

13 Q. -- "and underperformance has
14 accelerated with the launch of XRP-O."

15 Do you see that?

16 A. I do.

17 Q. Is that underperformance in price?

18 A. So underperformance can reference
19 volumes. It can reference price. It can
20 reference spreads. It can -- it's referencing
21 an asset's performance overall in the market.

22 Q. What does it reference in this -- in
23 this deck?

24 A. So oftentimes you would look at how
25 any -- digital assets comparing to Bitcoin, for

1 example, because it tends to be the market
2 leader. So Bitcoin -- as Bitcoin moves, the
3 rest of the market tends to move. So it looks
4 like we're comparing XRP's trading performance
5 relative to Bitcoin.

6 Q. "Trading performance," does that just
7 mean price?

8 A. No, it doesn't just mean price.

9 Q. What -- what does it mean?

10 A. It can mean price. It can mean
11 volumes. It can mean other attributes to how
12 it's trading in the market overall.

13 Q. So -- but -- all right. So my -- my
14 question, though, is, what is the word
15 "underperformance" referring to in this deck?

16 A. I don't have the data right behind
17 this that this is referencing, but, again, we
18 would use the phrase "underperformance" relative
19 to sometimes price, sometimes volume, sometimes
20 spreads. We look at a lot of different things
21 around performance of an asset.

22 Q. The next deck -- the next bullet says
23 XRP -- "XRP selling via XRP-O has led to
24 negative pressure on XRP."

25 What does that mean, "negative

1 pressure"?

2 A. So, again, you'll see the sub bullet
3 below that talks about [REDACTED] of sell
4 orders. So this gets back to looking at the
5 depth of the market on a specific order book.
6 If there's large one-sided flow, that can be
7 negative for XRP's liquidity.

8 Q. It's -- it talks about [REDACTED] of
9 XRP sell orders.

10 Is that what you're talking about?

11 A. Mm-hmm.

12 Q. And then it says "was placed into the
13 market without offsetting buy flow," right?

14 A. Mm-hmm.

15 Q. What does that mean? What does that
16 do together?

17 A. So if there's large one-directional
18 flow, it usually causes dislocations in an order
19 book where sometimes market makers will pull
20 out --

21 THE COURT REPORTER: Slow down,
22 please. "So if there's large
23 one-directional flow"?

24 A. It tends to have a negative impact on
25 liquidity in that -- in that --

1 MS. ZORNBERG: But you had said
2 something about dislocation and an order
3 book.

4 THE WITNESS: Right.

5 MS. ZORNBERG: I don't think she
6 got that.

7 A. Okay. So -- so large one-directional
8 flow can cause dislocation in an order book
9 which tends to have a negative impact on
10 liquidity. So sometimes market makers, when
11 they see a large movement in one direction or
12 another, may pull their bids and their offers
13 out of the order book to wait to see where the
14 market settles before they replace their bids
15 and offers within the order books. So that --
16 that causes market dislocation, which is not
17 helpful to liquidity.

18 Q. And large one-directional order flow
19 when it's sell orders without offsetting buy
20 flow, that also causes a decrease in price,
21 correct?

22 A. It can.

23 Q. Did you come to conclude in terms --
24 you know, in the concept of putting together
25 this deck, what had happened to XRP's price

1 since the launch of XRP-O?

2 A. I'm not sure if the XRP price is
3 quoted in here, but it's certainly something we
4 would look at as part of the analysis of the
5 impact of XRP-O on XRP's liquidity health.

6 Q. Well, if you look at the chart on the
7 page that says 302049, what is that a chart of?

8 A. So it looks to be a chart of XRPs, USD
9 price, as well as XRP/MXN, as well as Bitcoin
10 USD, Bitcoin MXN, and then significant dates and
11 market events that are impacting the market
12 moves. I can't read all this clearly, but that
13 is the gist of what I get from it.

14 Q. So in the context of this graph at
15 least, is it fair to say that "XRP
16 underperformance" refers to XRP -- XRP's price
17 relative to certain other assets such as dollars
18 and pesos?

19 A. Looks like it.

20 Q. Okay. So does this refresh your
21 memory as to whether in the context of analyzing
22 XRP-O supply concerns you came to conclude that
23 XRP-O was causing the price of XRP to go down?

24 MS. ZORNBERG: Objection.

25 A. As I mentioned, price is one thing

1 that we would look at in combination with a
2 number of other factors including spreads,
3 volatility, volumes, et cetera, to assess how a
4 market is trading.

5 Q. Let's look at the next page where it
6 says "Lead-up XRP-O: XRP outperformed versus
7 BTC by 5 percent."

8 A. Mm-hmm.

9 Q. Do you see that?

10 A. Mm-hmm.

11 Q. What -- 5 percent of what?

12 A. It looks like -- hold on. Let me read
13 this clearly. "XRP outperformed versus Bitcoin
14 by 5 percent." So I can't tell from this gray
15 shaded thing if this is price or what it is or
16 if it's volatility. Can you tell from here?

17 Q. Oh, I'm sorry, I'm asking you.

18 A. Yeah, I -- it's all, like, grayed out
19 so I can't tell what the metrics are.

20 Q. And what about the next one? "Since
21 5/27 (XRP-O Bitso launch) XRP underperformed
22 versus BTC by over 10 percent."

23 A. Mm-hmm.

24 Q. Is that referring to underperformed in
25 terms of the price?

1 A. It looks like it.

2 Q. Okay. At some point your team also
3 came up -- well, I'm sorry.

4 At some point individuals at Ripple
5 came up with ideas to sort of address these
6 concerns that you were discussing at this deck,
7 right? Supply concerns.

8 A. Yes. In fact, I recall receiving a
9 call from Brad about this topic and -- and --
10 and he asked us to look into this and suggested
11 that we would consider doing purchases.

12 Q. Purchases of what?

13 A. XRP.

14 Q. Who suggested that?

15 A. Brad.

16 Q. For what purpose?

17 A. To offset some of the negative impact
18 of XRP-O supply one-directional flow.

19 Q. Was that the first time that you sort
20 of heard of that idea, when he suggested it to
21 you?

22 A. Yeah, that's the first I recall.

23 Q. Okay. When was that?

24 A. I don't recall the date, but I
25 remember it preceded this because I remember

1 Ron's --

2 Q. I'm sorry, ma'am. "Preceded this"
3 meaning the deck?

4 A. This deck.

5 Q. Okay.

6 A. Yeah. Because I remember Ron
7 specifically said to me, "I know that you've
8 already had this conversation around -- you
9 know, what Brad wants us to consider doing, but
10 I'd -- you know, I'd like you to put something
11 together that shows other options, too, so that
12 we're being thoughtful about the supply
13 concerns."

14 Q. What option was -- was any option
15 ultimately adopted in terms of addressing the
16 supply concerns?

17 A. Yes. There was a -- there was a
18 purchase program launched.

19 Q. Okay. Who made the decision to launch
20 the purchase program?

21 A. Brad, legal. A bunch -- a bunch of
22 people were involved.

23 Q. Was Mr. Larsen involved?

24 A. Brad mentioned he spoke with Chris. I
25 don't know -- about the topic, but I don't know

1 the extent to which Chris was involved in the
2 decision.

3 Q. Okay. And the purchase program that
4 was launched, when was it launched?

5 A. I don't remember the exact date, but I
6 remember it was around early July.

7 Q. Of?

8 A. This past summer.

9 Q. 2020?

10 A. 2020.

11 Q. Okay. And the purchase program
12 involved Ripple buying XRP in the market?

13 A. Yes.

14 Q. What disclosures did Ripple make about
15 that to the market?

16 A. In -- the disclosures were made in the
17 markets report.

18 Q. What did Ripple say?

19 A. That from time to time, Ripple -- I
20 don't know the exact language actually.

21 Q. Did Ripple disclose the exact amounts
22 it was buying?

23 A. I don't recall offhand.

24 Q. Oh, okay. Did Ripple disclose the
25 reasons for the buys?

1 A. I don't recall the exact language.

2 Q. Were you involved in the, you know,
3 review or drafting of the reports that discussed
4 the buy-back program?

5 A. So are you talking about the XRP
6 markets report?

7 Q. Yeah.

8 A. So, yeah. As -- as we talked about in
9 the past, the XRP market reports would be
10 drafted by a group of people and I would tend to
11 review them and provide comments where
12 necessary.

13 Q. Okay. And so did you provide comments
14 to the extent it discussed the buy-back program?

15 A. No. Legal provided the language
16 around the buy-back program.

17 Q. Okay. Was this deck that we're
18 looking at that you're holding, which is Exhibit
19 34, presented to Mr. Larsen?

20 A. I don't recall.

21 Q. The deck on page 10 of it, page 10 of
22 the deck -- I realize there's no numbers. Let
23 me just -- one second. It -- at the bottom it
24 says 302054. It says "Proposed Repurchase
25 Initiative."

1 A. Okay.

2 Q. Okay. "Option C: Repurchase XRP on
3 Bitso." That's one of the options. On the
4 prior page, "Repurchase XRP via MMs on multiple
5 exchanges. Option B: Repurchase XRP directly
6 from MMs."

7 Which of these options was adopted?

8 A. Well, let me read these more closely.

9 (Pause)

10 A. Option A, although let me read the
11 detail. Yeah.

12 Q. Now, here, though, it talks a one- to
13 three-month -- one- to three-month pilot.

14 A. Mm-hmm.

15 Q. Is that right?

16 A. That's what I read here, yes.

17 Q. When it -- when the program of
18 rebuying began, did it occur for three months or
19 for how long?

20 A. A couple months. I don't remember the
21 exact dates.

22 Q. Was it paused after a couple months?

23 A. Yes.

24 Q. Did it -- did it continue at some
25 point after?

1 A. Not to my knowledge.

2 Q. Okay. Does XRP-O still exist?

3 A. Yes, to my knowledge.

4 Q. Okay. Did -- did -- you know, did
5 your team or the people you were working with do
6 any other analysis to see the impact of XRP-O on
7 other factors affecting liquidity other than the
8 ones we, you know, we covered in these graphs?

9 A. There may have been others. I don't
10 recall offhand.

11 Q. If there were, where would they have
12 been presented?

13 A. Could have been within the team. It
14 could have been at one of the meetings. I don't
15 recall.

16 Q. In a deck or just orally or how?

17 A. I don't recall.

18 Q. Okay. So just -- just to be clear,
19 sitting here today, you don't recall either way.
20 There might have been other analysis; there
21 might not have been. You just don't know.

22 A. Yes. I -- I recall this was a topic
23 that we looked at. I don't remember how many
24 analyses were performed around the topic.

25 Q. And what sort of materials would you

1 have to review to sort of make sure you, you
2 know, reviewed the universe to be able to answer
3 my question as to whether you did other analysis
4 to see the impact of XRP-O on other factors
5 affecting liquidity?

6 A. That was a long question. If you
7 don't mind clarifying it.

8 Q. What sort of materials did you have to
9 review --

10 A. Yes.

11 Q. -- to be able to answer this question,
12 which is, did you do any other analysis to see
13 the impact of XRP-O on other factors affecting
14 liquidity?

15 MS. ZORNBERG: Objection.

16 A. Yeah, I'm not -- what other analysis
17 would we have to --

18 Q. No. What other materials would you
19 have to look at just to make sure that you knew
20 the universe of analysis you might have done?

21 MS. ZORNBERG: Objection.

22 A. I don't know.

23 Q. Okay. One sec.

24 THE WITNESS: How much longer do
25 we have? How much longer do we have?

1 MR. ANELLO: Fifty.

2 THE WITNESS: Five-zero?

3 MR. TENREIRO: Let's look at
4 Exhibit 33, please, which is, I believe,
5 some sort of messaging thread. It starts
6 at 504550.

7 (Whereupon, exhibit is presented
8 and marked SEC Madigan Exhibit 33 for
9 identification.)

10 A. Okay. Let me read this.

11 Q. Go ahead.

12 (Pause)

13 Q. My first question starts on page 2
14 just so you know.

15 (Pause)

16 A. Okay.

17 Q. Ms. Madigan, have you -- have you had
18 a chance to look at this?

19 A. I have. Excuse me. Sorry for
20 yawning.

21 Q. No problem.

22 Is it fair to say that -- do you know
23 what -- what messaging service or system you're
24 using here?

25 A. I can't tell from this.

1 Q. Is it fair to say --

2 A. Oh, now it says -- yeah, I can see at
3 the top it says "Slack retention," so likely
4 Slack.

5 Q. Okay. Okay. The -- is it fair to say
6 you're -- this is a conversation on Slack
7 between you, Mr. Samarasinghe, [REDACTED]
8 others, Mr. [REDACTED] is that right?

9 A. It looks like that.

10 Q. Okay. And having read this, is it
11 fair to say that Mr. Larsen gave a directive to
12 Mr. Garlinghouse to sort of deal with this XRP-O
13 concerns by buying XRP?

14 MS. LINSENMAYER: Objection to
15 form.

16 A. So I don't want to make too many
17 presumptions given I don't recall this exact
18 chat, but one thing I can say is I do recall
19 that phone call I mentioned where Brad said that
20 he wanted to explore buying XRP back to address
21 the problem and that he had had a con --

22 THE COURT REPORTER: I can't
23 understand you. "That Brad said he wanted
24 to explore buying"?

25 A. Yes, XRP and that he mentioned that he

1 had had a conversation with Chris on the topic
2 as well.

3 Q. Okay. Just on the third page of the
4 chat, around 20:44, you say "We need to get this
5 out today given CL called BG on vaca."

6 Do you see that?

7 A. Yes.

8 Q. Further up you say, around 20:06,
9 "Yes, BG received a directive and now we can add
10 alternative suggestions."

11 Do you see that?

12 A. Uh-huh.

13 Q. On page 2, around 20:03, you say
14 "There was an almost directive by CL to BG to
15 start buying back on Bitso."

16 Do you see that?

17 A. Mm-hmm.

18 Q. Do these chats reflect -- refresh your
19 recollection as to whether -- whether
20 Mr. Garlinghouse conveyed to you that he
21 received an almost directive by Mr. Larsen to
22 start buying back XRP?

23 A. Yeah, this helps refresh my memory,
24 but, as I said, my memory was that I got a call
25 from Brad referencing a conversation with Chris

1 around buying back in response to the negative
2 liquidity impact from XRP-O.

3 Q. Did Mr. Larsen --

4 THE COURT REPORTER: A negative
5 impact for? I can't hear you.

6 A. The negative impact on liquidity due
7 to XRP-O.

8 Q. Okay. And did Mr. Larsen give a
9 directive to decrease the negative price
10 pressures by XRP-O?

11 A. I was not on that call --

12 MS. LINSSENMYER: Objection to
13 form.

14 A. I was not on that call and I have
15 no -- I was -- so I cannot comment on what Chris
16 said to Brad.

17 Q. Did -- I didn't mean to -- what he
18 said to Brad. My question was a little broader.

19 Did Mr. Larsen give employees at
20 Ripple a directive to decrease neg -- negative
21 price pressures on XRP based on XRP-O?

22 A. No.

23 Q. Did Mr. Garlinghouse give you that
24 directive?

25 A. No.

1 Q. Okay. So the directive that he gave
2 you was just to buy back XRP on Bitso, or to
3 explore that, rather?

4 A. Yes, that's what I recall.

5 Q. Okay. How did you determine -- you
6 said eventually there was a buy-back from the
7 market makers on exchanges?

8 A. Yes.

9 Q. What exchange was -- on what exchange?

10 A. They were purchasing on multiple. I
11 don't recall which.

12 Q. Did you enter into agreements with the
13 market makers for these buy-backs?

14 A. Yes.

15 Q. What role did you have with respect to
16 these agreements?

17 A. They were drafted by the respective
18 legal teams, but I just spoke with market makers
19 around providing the service.

20 Q. Why you?

21 A. Because Brad asked me to.

22 Q. Mm-hmm. Did you ask him why he asked
23 you to do that?

24 A. No. I dealt with the market makers so
25 it didn't seem unusual.

1 Q. Okay. Did the agreements -- were the
2 agreements between -- what Ripple entity was --
3 signed the agreements?

4 A. I don't recall offhand.

5 MR. TENREIRO: Let's look at
6 Exhibit 36.

7 (Whereupon, exhibit is presented
8 and marked SEC Madigan Exhibit 36 for
9 identification.)

10 MR. TENREIRO: Master Purchase
11 Agreement, RPLI_SEC 301887.

12 THE WITNESS: Thank you. I'm
13 just going to stand up for one second.

14 MR. TENREIRO: Go ahead. We're
15 almost done.

16 THE WITNESS: Okay.

17 (Pause)

18 A. I haven't read these in age -- do you
19 want me to read the whole thing or --

20 Q. No. Well, you can.

21 A. Okay.

22 Q. I'm not going to ask you questions
23 about it.

24 A. Okay.

25 Q. I simply wanted to ask if this

1 agreement refreshed your recollection as to
2 whether it was an entity incorporated in
3 Singapore, referenced in the first paragraph,
4 that entered into this agreement, the buy-back
5 agreement.

6 A. Okay. So I don't know if this
7 specific agreement you're showing me -- again,
8 legal department would handle these agreements.
9 So I don't know if this specific agreement is
10 the one that governs the purchase program.

11 Q. Well --

12 A. But --

13 Q. Go ahead.

14 A. Sorry. But I -- I can confirm that --
15 what you said. I can see in the first line that
16 Ripple Labs Singapore is listed.

17 Q. Do you know why Ripple --

18 THE COURT REPORTER: I'm sorry,
19 you broke up a little bit. But I
20 confirm -- repeat, please.

21 A. Sure. I was just confirming that
22 Ripple Labs Singapore appears to be the entity
23 that is contemplated in this contract.

24 Q. In the first "Whereas" clause, it says
25 "Whereas, Customer" -- defined as Ripple Labs

1 Singapore -- "for its own account and not for
2 the account of any other person or entity, may
3 seek to purchase XRP from the Company" --
4 defined as in this case GSR markets -- "to
5 offset amounts of XRP that Customer is selling
6 to its own customers for their use in
7 cross-border payments via Customer's On-Demand
8 Liquidity product."

9 Do you see that?

10 A. I do.

11 Q. Okay. Why was the Ripple Labs
12 Singapore entity the one entering into the XRP
13 repurchase agreements?

14 A. We have entities all over the world.
15 I'm not the person responsible for choosing what
16 entity we do what business out of.

17 Q. Who is?

18 A. Legal.

19 Q. Okay. Let's -- okay.

20 How much money did Ripple spend on
21 buying back XRP?

22 A. I don't know that offhand.

23 MR. TENREIRO: Let's look at

24 Exhibit 37.

25 Q. Oh, well, how -- yeah. I'm sorry.

1 How would you determine how much XRP
2 to buy back?

3 A. So I recall looking at data on XRP-O
4 and the volumes that were being sent through
5 XRP-O and I recall that we were discussing
6 buying back something less than or, max, equal
7 to, but I think we settled on something less
8 than XRP-O volumes.

9 Q. How much less than?

10 A. I don't remember offhand.

11 Q. Well, okay.

12 MR. TENREIRO: Let's look at
13 Exhibit 37, which is a one-page e-mail at
14 301861.

15 (Whereupon, exhibit is presented
16 and marked SEC Madigan Exhibit 37 for
17 identification.)

18 BY MR. TENREIRO:

19 Q. An e-mail from Mr. Garlinghouse --
20 well, a couple of e-mails, but one is from
21 Mr. Garlinghouse to you on July 14th, 2020.

22 A. I'm sorry, is there something on the
23 back --

24 Q. No.

25 A. -- where it originated? It looks like

1 [REDACTED] originated? I just want to make sure I'm
2 looking at the right spot.

3 Q. It seems like Mr. [REDACTED] originated
4 it.

5 A. Oh, okay. Yeah.

6 Q. And then it seems like you responded.

7 A. Okay. Yep. Let me read this. Sorry.

8 (Pause)

9 A. Okay.

10 Q. All right. Do you see where he says
11 "Note: Purchasing on track to cover 100 percent
12 of estimated XRP-O volumes"? Do you see that?

13 A. I do.

14 Q. Okay. So why the 100 percent?

15 A. So the issue that we were trying to
16 address was the offset, right, from the original
17 workflow that we discussed where there was a buy
18 and a sell in the market, in the original ODL
19 payment flow. XRP-O had only one direction.

20 And so this was specifically to
21 address that imbalance in the order books. And
22 so 100 percent appears to be where it was
23 started although I vaguely recall that there was
24 something less as well discussed. I don't know
25 if it was 100 percent the whole time. I believe

1 it was lower at periods of time as well.

2 Q. Okay. But lower by, you know, what
3 order of magnitude? I mean, are we talking 50
4 percent or --

5 A. I -- I can't recall offhand.

6 Q. Who would have that data?

7 A. So product and/or accounting, finance.

8 Q. "Product" being?

9 A. Asheesh.

10 Q. Can you tell me a person?

11 A. Asheesh's organization and/or
12 accounting and finance would have sent the
13 dollars to address this.

14 Q. Okay. Did you receive questions from,
15 you know, sort of the market or the media about
16 buy-backs?

17 A. Not that I recall.

18 Q. Okay. Let's look at one. Let's look
19 at Exhibit 41 --

20 A. Okay.

21 Q. -- which is 503633.

22 (Whereupon, exhibit is presented and
23 marked SEC Madigan Exhibit 41 for
24 identification.)

25 THE WITNESS: Thank you. Okay.

1 Okay.

2 Q. All right. Does this refresh your
3 memory as to whether you received media
4 inquiries from markets report about being a
5 buyer in the market?

6 A. It does appear that the comms team
7 received inquiries around the statement made in
8 the XRP markets report.

9 Q. And they directed them to you, "Hey
10 Markets," is that fair?

11 A. This e-mail is directed to me, yes, or
12 our team.

13 Q. And Mr. [REDACTED] says "I would spin it
14 around ODL. Maybe saying something about how
15 this supports efficient execution of ODL
16 transactions."

17 A. Mm-hmm.

18 Q. Do you see that?

19 A. I do.

20 Q. Did you discuss that with him, what he
21 meant by that?

22 A. No.

23 Q. Okay. Did -- did mark -- did comms
24 respond to media inquiries?

25 A. Sorry. Could you repeat the question?

1 Q. Yes. Did -- did markets respond to
2 media inquiries from our market -- from your
3 markets report re being a buyer in the market?

4 A. Did the markets team --

5 Q. Sorry, did comms. I'm sorry. Did
6 comms respond to media inquiries?

7 A. Sometimes.

8 Q. No, to -- but I'm talking about this
9 media inquiry about being a buyer in the market.

10 A. Oh, I'm not sure if [REDACTED] ended up
11 responding or not.

12 Q. Okay. Did you respond to how -- well,
13 I think comms here says "Can we say something
14 high level?"

15 Did you have a view as to what you
16 could say?

17 A. I don't recall this specific e-mail
18 exchange or what I was thinking at the time last
19 summer.

20 Q. It says "See below. Understand that
21 we can't share details."

22 Do you see that?

23 A. Wait. What?

24 Q. The e-mail from [REDACTED] says "Hey
25 Markets, we received a few media inquiries" --

1 A. Oh, oh. Oh, sorry. Yeah. Uh-huh.

2 Q. "Understand that we can't share
3 details."

4 Do you see that?

5 A. Yes.

6 Q. Why can't they share details?

7 A. I'm not sure.

8 Q. Did you ever direct -- did you ever
9 tell comms you could not share details about
10 XRP -- about Ripple being a buyer in the market?

11 A. No. I -- I'm not responsible for
12 directing comms on anything.

13 Q. So do you know why she thought you
14 can't share details?

15 A. I do not.

16 Q. Did you respond and say, you know, We
17 want transparency, we should share details?

18 THE COURT REPORTER: I can't hear
19 you.

20 Q. Did you ever respond to her and say,
21 No, we want transparency in the market, we can
22 share details?

23 A. Not that I recall.

24 Q. Okay. Why not?

25 A. I don't know.

1 Q. Did you have a conversation with her
2 maybe over the phone about why you couldn't
3 share details?

4 A. Not that I recall.

5 Q. Okay. And did anyone ever direct you
6 that you could not share details about Ripple
7 being a buyer in the market to the media?

8 A. Not that I recall.

9 Q. Okay.

10 MR. TENREIRO: Let's look
11 at maybe our last one. One second. Yes,
12 number 35, please. Two page document,
13 504020.

14 THE WITNESS: Did I put anybody
15 to sleep yet?

16 MR. ANELLO: Very -- very --
17 almost done.

18 (Whereupon, exhibit is presented
19 and marked SEC Madigan Exhibit 35 for
20 identification.)

21 (Pause)

22 BY MR. TENREIRO:

23 Q. Ms. Madigan, what is this document?

24 A. I'm not sure.

25 Q. Have you seen this before?

1 A. It's -- I don't recognize it. Perhaps
2 you can help.

3 Q. Well, it's titled "XRP Purchases Plus
4 XRP-O Preliminary Observations and
5 Recommendations."

6 A. Mm-hmm.

7 Q. Were you involved in XRP purchases and
8 XRP-O generally?

9 A. To some extent.

10 MS. ZORNBERG: Objection.

11 Q. And ob -- in making observations and
12 recommendations with respect to those two
13 topics?

14 A. To some extent.

15 MS. ZORNBERG: Are you speaking
16 in connection with this document or just
17 generally?

18 MR. TENREIRO: No, just
19 generally.

20 A. To some extent.

21 Q. Okay. Reading this document here --
22 sitting here today --

23 A. Mm-hmm.

24 Q. -- you don't know whether you looked
25 at this before or not?

1 A. I don't.

2 Q. Okay. Reading this document today,
3 what -- what do you understand it to be
4 conveying when it says "XRP/BTC is a key metric
5 that gauges XRP performance relative to BTC"?

6 A. Mm-hmm.

7 Q. What is that referring to? Is that
8 referring to the price?

9 A. It may -- it may be. It looks like
10 it's referencing a table somewhere, but I don't
11 see a table so I'm not sure exactly.

12 Q. Okay. Do you see a little bit towards
13 the middle where it says "The way we thought
14 about this plan included balancing three primary
15 concerns"? Do you see that?

16 A. I do.

17 Q. "Client experience vis-a-vis XRP-O" --

18 A. Mm-hmm.

19 Q. -- "corp cash needs, stability of
20 XRP."

21 Do you see that?

22 A. I do.

23 Q. I understand you don't recall seeing
24 this document, but as an employee of Ripple
25 reading this document, what do you understand

1 "stability of XRP" to mean?


2 A. Healthy liquidity of XRP markets.

3 Q. You want liquidity to be stable or you
4 want liquidity to increase?

5 A. Liquidity to be healthy. I don't know
6 if it's increase or stable. It's just -- there
7 are many attributes that we've discussed at
8 length today regarding attributes of a healthy
9 liquid market and so that -- this, to me,
10 reading it now, looks to be referencing that.

11 Q. Stability -- how is -- how is
12 liquidity stable?

13 A. So the healthy operation of markets
14 tends to have -- well, I should say healthy
15 liquid markets tend to have maybe less
16 volatility -- well, that may not always be true.
17 But, yeah, the health -- I read this as
18 healthy -- stability meaning, like, healthy XRP
19 markets.

20 Q. Okay. There's a bold part towards the
21 bottom where it says "Given our goal to retain
22  USD fiat" --

23 A. Mm-hmm.

24 Q. -- "for corporate" purchases -- sorry,
25 "corporate purposes."

1 A. Mm-hmm.

2 Q. Do you see that?

3 A. Yes.

4 Q. What does that refer to, if you know?

5 A. It looks to be about cash needs for
6 the company.

7 Q. You know, did anyone ever convey to
8 you what the goal of the company was with
9 respect to keeping cash for corporate purposes?

10 A. Occasionally Ron would relay some
11 target numbers.

12 Q. In what context would he relay that?

13 A. In this context I remember him
14 sharing.

15 Q. "In this context" meaning this
16 document?

17 A. No, sorry. In the discussions around
18 the purchase program, I remember him saying [REDACTED]

19 [REDACTED] was a target number for
20 corporate purposes.

21 Q. So Ripple, for the purchase program,
22 you know, you used, you know, corporate cash
23 resources, is that correct?

24 A. Yes. To my knowledge, yes.

25 Q. Okay. Corporate funds --

1 A. Yeah.

2 Q. -- of some sort. Is that fair?

3 A. Yes.

4 Q. Okay. So in that context, you recall

5 that Mr. Will said, okay, but we need to keep [REDACTED]

6 [REDACTED] on cash?

7 A. It looks like that but I don't recall

8 exactly the direction.

9 Q. And did he explain why the company had

10 decided [REDACTED] was what it needed?

11 A. No. I wasn't privy to the details.

12 Q. Did he explain why -- what the [REDACTED]

13 [REDACTED] might be used for?

14 A. No.

15 Q. Okay.

16 MR. TENREIRO: I think that this

17 might be my last one. So let's look at

18 84. And maybe Lisa...

19 This is a three-page e-mail,

20 423325.

21 (Whereupon, exhibit is presented

22 and marked SEC Madigan Exhibit 84 for

23 identification.)

24 THE WITNESS: Thank you.

25 (Pause)

1 A. Okay.

2 Q. Ms. Madigan, this is -- is this e-mail
3 conversation related to inflation -- you know,
4 conveying of information about supply inflation
5 of XRP that we've been talking about today?

6 A. It appears to be, yes.

7 Q. Okay. Who is [REDACTED]

8 A. [REDACTED] is the external advisor on [REDACTED]
9 team I mentioned who came up with the potential
10 inflation methodologies.

11 Q. Why is he external? Who does he work
12 for?

13 A. He's an advisor to Ripple. He used to
14 work for [REDACTED]

15 Q. Okay. Does -- is he a paid advisor?

16 A. I don't know his contract. I assume
17 so. I don't know.

18 Q. Okay. Is it fair to say that in this
19 conversation, there's a discussion of having him
20 potentially say something publicly about, you
21 know, Ripple's supply inflation of XRP?

22 A. Yes, I read that here.

23 Q. You say "Only concern with [REDACTED] is
24 whether it's perceived negatively given he is"
25 -- "he is 'on the payroll' so to speak."

1 Do you see that?

2 A. Yes.

3 Q. Perceived negatively by whom?

4 A. The market overall.

5 Q. Why would the market perceive it
6 negatively if he made a statement?

7 A. The idea was that this would be a --
8 rather than -- the inflation methodology he came
9 up with was something that he thought was -- and
10 I don't remember the details of it, but that it
11 was, you know, an industry standard way to
12 approach inflation generally.

13 And so rather than have kind of Ripple
14 speaking on behalf of Ripple telling their own
15 story, why not have an independent third party
16 come up with a -- a market sort of standard
17 methodology around inflation and then apply it
18 here?

19 Q. So is it fair that what you're saying
20 here is that Mr. [REDACTED] could be perceived as not
21 an independent third party to the extent that he
22 was on the payroll?

23 A. Yeah. I think the idea was suggested
24 by somebody earlier that a third party could be
25 a good idea here.

1 Q. Mm-hmm.

2 A. And so [REDACTED] as an advisor is sort of
3 an affiliated party. It doesn't necessarily
4 achieve the goal of what Monica or whoever it
5 was suggested a third party.

6 Q. And then when you say "i.e. the
7 Giancarlo effect on the CFTC story."

8 What did you mean there?

9 A. I don't recall exactly what that
10 referenced.

11 Q. Who is Giancarlo?

12 A. I think it's Chris Giancarlo if that's
13 his first name. I don't recall.

14 Q. Who's Chris Giancarlo?

15 A. I know he's -- he was maybe -- I don't
16 know if he was a regulator or he was somehow
17 involved in regulation from my memory.

18 Q. And "the CFTC story," what is that?

19 A. I don't recall the specific reference
20 here.

21 Q. Okay.

22 MR. TENREIRO: I don't have
23 anything else.

24 Lisa?

25 MS. ZORNBERG: Okay. I just want

1 a few -- a few minutes of questioning.

2 Do I need to put on a mic?

3 THE COURT REPORTER: Yes.

4 MR. TENREIRO: I'm sorry. Sorry.

5 I -- I forgot one. I still have time,
6 right?

7 MS. ZORNBERG: Go ahead.

8 MR. TENREIRO: Sorry.

9 BY MR. TENREIRO:

10 Q. Ms. Madigan, I'm just jumping to
11 another topic that we discussed earlier.

12 The OTC sales, did they have
13 restrictions on XRP sales by the, you know, OTC
14 counterparties?

15 A. As I mentioned, OTC sales were largely
16 done before I arrived with the exception of that
17 [REDACTED] contract that was sort of still in,
18 whatever; hadn't yet matured. I don't recall
19 other OTC sales that occurred top of mind while
20 I was there besides [REDACTED]

21 Q. Did the [REDACTED] one have sales
22 restrictions?

23 A. I think there were components of that.
24 I just don't remember the details of the
25 contract.

1 Q. And why would have -- why would Ripple
2 have imposed sale restrictions?

3 A. So I wasn't involved in creating or
4 designing the contract, so I don't want to
5 suppose what was contemplated at the time of
6 something that was created that I wasn't
7 involved with.

8 Q. Right. But to the extent that you did
9 some legwork to get up to speed on the [REDACTED]
10 issue, I think we looked at it at length this
11 morning, did you have a conversation where you
12 might have either come to learn from someone or
13 asked someone why did Ripple impose -- you know,
14 why is there -- why are there these restrictions
15 in the [REDACTED] contract?

16 A. No, I didn't ask or don't recall
17 asking that and I don't know why they were put
18 in.

19 Q. Okay. Now I'm done. Thank you.

20 A. Sure.

21 MS. ZORNBERG: Can you hear me
22 okay? Mr. Videographer? Court Reporter,
23 can you hear me okay?

24 THE COURT REPORTER: Yes. Just
25 keep your voice up, please.

1 MS. ZORNBERG: You bet. My
2 Shakespearean -- my Shakespearean voice.

3 EXAMINATION

4 BY MS. ZORNBERG:

5 Q. Ms. Madigan, based on your experience
6 working at Ripple since mid-2019, as well as
7 your previous experience working at [REDACTED]
8 [REDACTED] do you believe that Ripple controls the
9 XRP market?

10 MR. TENREIRO: Objection.

11 A. No.

12 Q. Why not?

13 A. Because there are many market
14 participants that trade XRP outside of Ripple.

15 Q. Did Ripple control the XRP market when
16 you joined Ripple in 2019?

17 MR. TENREIRO: Objection.

18 A. No.

19 Q. Did Ripple control the XRP market at
20 any point during your employment by Ripple?

21 MR. TENREIRO: Objection. And
22 just -- Lisa, I don't understand --

23 A. No.

24 MR. TENREIRO: -- what you mean
25 by "control" but I'm going to keep --

1 (Indiscernible cross talk;
2 reporter requests on speaker.)

3 MR. TENREIRO: This is Jorge. I
4 object to "control," I don't know what you
5 mean, but go on.

6 A. My answer was --

7 Q. You can answer.

8 A. My answer was no.

9 Q. Did -- in your opinion, did Ripple
10 control the XRP market on December 22nd, 2020,
11 when the SEC filed this lawsuit?

12 MR. TENREIRO: Objection again.

13 A. No.

14 Q. Does Ripple control the exchanges that
15 list XRP or don't list XRP?

16 A. No.

17 MR. TENREIRO: I'm just going
18 to -- I'm just going to have a standing
19 objection to "control." Otherwise I'm
20 happy to keep --

21 MS. ZORNBERG: Fine.

22 MR. TENREIRO: Okay.

23 MS. ZORNBERG: That's fine.

24 BY MS. ZORNBERG:

25 Q. You -- you were asked a lot of

1 questions today, Ms. Madigan, about liquidity.

2 And you've testified that as head of markets,

3 you were focused on ensuring sufficient

4 liquidity for Ripple's ODL product, right?

5 A. Yes.

6 Q. Is it fair to say that ensuring

7 liquidity in relevant payment quarters was an

8 important component of the ODL product?

9 A. Yes.

10 Q. Why is that?

11 A. So in an example we briefly spoke

12 about earlier, we talked about the payment flow

13 from, say, the U.S. to Mexico and we also

14 referenced -- so for consistency sake -- MGI.

15 So, for example, if MGI wanted to send, say, \$10

16 million worth of flow from the U.S. to Mexico,

17 but the -- but the Mexican corridor, Bitso, only

18 had \$2 million worth of liquidity, it was

19 important that we could help develop liquidity

20 in those markets to ensure that the product

21 would function and the payments wouldn't fail.

22 Q. Was your focus on liquidity specific

23 to ODL intended to ensure that the ODL product

24 functioned effectively for ODL customers?

25 MR. TENREIRO: Objection.

1 A. Yes.

2 Q. Now, was ODL previously called xRapid?

3 A. Yes. Right -- I remember the name
4 "xRapid" when I first joined. I don't remember
5 exactly when the name changed.

6 Q. So sitting here today, do you recall
7 whether xRapid had launched prior to your
8 arrival at Ripple in May 2019?

9 A. It may well have. I don't recall its
10 launch date but I know that when I came in, I
11 often heard the term "xRapid." So it would
12 imply that it was already around at that point.

13 Q. Okay. I -- I -- if I were to show you
14 an article in the press announcing the
15 commercial launch of xRapid in October 2018,
16 would that refresh your recollection in any way?

17 MR. TENREIRO: Objection.

18 A. I am happy to review that document. I
19 don't recall that article offhand.

20 Q. Okay.

21 MS. ZORNBERG: All right. So
22 I've -- I've premarked with handwriting,
23 just to make a clear record here, BM
24 Defense Exhibit 1. Here's a copy.

25 MR. TENREIRO: Thank you.

1 MS. ZORNBERG: Here's a copy.

2 THE WITNESS: Thank you.

3 MS. ZORNBERG: I have other
4 copies but I've not written the --

5 MR. TENREIRO: That's okay.

6 MS. ZORNBERG: -- "Defense
7 Exhibit 1" on it.

8 MR. TENREIRO: Yeah.

9 (Whereupon, exhibit is presented
10 and marked BM Defense Exhibit 1 for
11 identification.)

12 BY MS. ZORNBERG:

13 Q. I'm -- for the record I'm showing you
14 a printout. It printed out inart -- inartfully,
15 but BM Defense Exhibit 1 is a news article dated
16 October 1, 2018 titled "Ripple's cryptocurrency
17 product goes live for the first time with three
18 financial firms."

19 Ms. Madigan, one way or another, is
20 this an article that you've seen before?

21 A. Yeah. I don't recall it offhand,
22 but -- but it looks clear that xRapid launched
23 before my time.

24 Q. During your time at Ripple,
25 Ms. Madigan, have you ever been instructed to

1 undertake efforts to raise the price of XRP?

2 A. No.

3 Q. Was supporting the price of XRP a
4 focus of yours?

5 A. No.

6 Q. In your time at Ripple, has XRP, in
7 fact, operated as a bridge currency?

8 A. Yes.

9 Q. Can you explain how?

10 A. Yes. So for simplicity's sake, and
11 hopefully not to bore you all with my same
12 example, but in the case of MoneyGram as a
13 client of Ripple and ODL, if they wanted to send
14 money originating in the U.S. that started off
15 as U.S. dollar fiat, but wanted it to be paid
16 out in Mexico as Mexican pesos, the workflow
17 would be that the U.S. dollars would go to an
18 originating exchange where the originating
19 exchange would swap the dollars into XRP. XRP
20 was the digital asset that was sent cross
21 borders into Mexico on Bitso. And then on Bitso
22 that XRP would be swapped into Mexican pesos.
23 So, thereby, acting as a bridge currency between
24 two fiat currencies, the dollar and the Mexican
25 peso.

1 Q. Okay. You were asked some questions
2 earlier about the purchase program in 2020
3 through which Ripple bought XRP from the market.

4 In purchasing XRP from a secondary
5 market, did Ripple aim to minimize market
6 impact?

7 MR. TENREIRO: Object to form.

8 A. How do you define market impact?

9 Q. Well, did -- did it aim to minimize
10 market impact so as to not impact XRP price?

11 A. Yes. So we contracted market makers
12 and part of the agreement was that they would
13 trade on multiple exchanges in small quantities
14 over a series of days so as to minimize any
15 impact on the market.

16 Q. Why was that an aim of the company, to
17 avoid impact on price?

18 A. Because there wasn't an objective to
19 impact price.

20 Q. To your knowledge, has Ripple ever
21 promised anyone to create the trading market in
22 XRP?

23 A. No.

24 Q. To your knowledge, has Ripple ever
25 promised anyone to maintain the trading market

1 in XRP?

2 A. No.

3 Q. Just a couple more questions.

4 In 2019, what drew you to work at
5 Ripple?

6 A. So in the early days of crypto, one of
7 the common questions I got from prospective
8 participants in the market was: I get that this
9 is a really interesting space, but how do you
10 think about evaluation frameworks and -- and how
11 do you really think about real-world examples?
12 Like, where -- I can't buy crypto today to buy
13 my coffee, but, like, what can I be using it
14 for?

15 And what I loved when Ripple reached
16 out was that I kept hearing this consistent
17 story about how XRP was purpose built for
18 cross-border payments and that it was solving is
19 a real-world problem that the legacy financial
20 system had, which was that they charged high
21 fees and took a very long period of time to send
22 money cross border. And it seems like one area
23 that was ripe for innovation. And the fact that
24 Ripple was really focused on solving that
25 problem in traditional markets by leveraging

1 digital assets was super compelling to me.

2 Q. And as head of markets, how has your
3 role at the company fit within that vision to
4 solve that real-world problem?

5 A. Through the focus on providing
6 liquidity support through these market makers to
7 ensure that ODL functions smoothly.

8 MS. ZORNBERG: No further
9 questions.

10 MR. TENREIRO: I have a couple
11 more.

12 EXAMINATION

13 BY MR. TENREIRO:

14 Q. Ms. Madigan, does the ODL product
15 eliminate the use of the legacy financial
16 system?

17 A. No, not to my knowledge.

18 Q. Okay. And do the market makers use
19 the legacy financial system in connection with
20 their ODL functions?

21 A. I believe so. I'm not sure exactly
22 how they operate all the components of the
23 payments.

24 Q. You're -- why are you not sure how
25 they operate the components on the payments?

1 A. I don't know what components of the
2 legacy financial system they're using or not
3 using.

4 Q. Well, a moment ago -- I understand
5 that you don't know, but I'm asking you why.
6 And I'm asking you why because a moment ago you
7 said you were very interested in how crypto
8 could solve a real-world problem.

9 A. Right.

10 Q. So I'm trying to understand why, if
11 you have that interest, you don't know what the
12 market makers are doing to help you solve a
13 real-world problem.

14 MS. ZORNBERG: Objection.

15 MR. ANELLO: Is that a question?

16 MS. ZORNBERG: Objection.

17 MR. TENREIRO: Yes, it's a
18 question.

19 BY MR. TENREIRO:

20 Q. The question is why don't you know?

21 MR. ANELLO: Objection, asked and
22 answered.

23 MS. ZORNBERG: I object because
24 it mischaracterizes the testimony. You're
25 comparing apples and oranges based on her

1 prior answer.

2 Q. And the answer is?

3 A. What was the question?

4 Q. The question is, why don't you know
5 whether the market makers use the legacy
6 financial system in connection with their --
7 with their ODL function?

8 A. I don't know how they use the legacy
9 financial system in connection with their
10 services on ODL.

11 Q. And is there a reason that you don't
12 know that?

13 MR. ANELLO: Asked and answered
14 twice.

15 A. I don't know that.

16 Q. Okay. Does MoneyGram use ODL today?

17 A. I think they paused.

18 Q. Why?

19 A. I don't know why.

20 Q. Which market makers are purchasing
21 XRP?

22 A. That is paused right now to my
23 knowledge, but GSR was the market maker we were
24 working with on XRP purchases.

25 Q. Any others?

1 A. No.

2 Q. Okay.

3 MR. TENREIRO: All right. I
4 think now we're done. Thank you.

5 Just before we go off the
6 record, we have discussed this --

7 MS. ZORNBERG: Should we just ask
8 the other defendants if they have
9 anything?

10 MR. TENREIRO: Yes.

11 Do counsel for Mr. Larsen or
12 Mr. Garlinghouse have any questions they
13 wish to ask?

14 MS. LINSENMAYER: Nothing on
15 behalf of Mr. Larsen. Thanks.

16 MR. BAMBERGER: Yeah, thank you.
17 Nothing on behalf of Mr. Garlinghouse. I
18 appreciate the witness's time.

19 MR. TENREIRO: Okay. Before we
20 go off the record, I just want to state on
21 the record, it's something we've discussed
22 in our e-mails, which is that we reserve
23 the right to bring her back pending the
24 resolution of various discovery disputes
25 between the parties and the production of

1 documents.

2 MS. ZORNBERG: We would object to
3 that.

4 MR. ANELLO: As -- as would we,
5 obviously.

6 MR. TENREIRO: Okay. Thank you,
7 Ms. Madigan.

8 We're off the record.

9 THE VIDEOGRAPHER: The time is
10 now 6:52 p.m. We're off the record.

11 (Whereupon, the deposition
12 concluded at 6:52 p.m.)
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25

1 STATE OF NEW YORK)

2) ss:

3 COUNTY OF NEW YORK)

4 I hereby certify that the witness in the
5 foregoing deposition, BREANNE MADIGAN, was by me
6 remotely duly sworn to testify to the truth, the whole
7 truth and nothing but the truth, in the within-entitled
8 cause; that said deposition was taken at the time and
9 place herein named; and that the deposition is a true
10 record of the witness's testimony as reported by me, a
11 duly certified shorthand reporter and a disinterested
12 person, and was thereafter transcribed into typewriting
13 by computer.

14 I further certify that I am not interested in
15 the outcome of the said action, nor connected with nor
16 related to any of the parties in said action, nor to
17 their respective counsel.

18 IN WITNESS WHEREOF, I have hereunto set my
19 hand this 20th day of May, 2021.

20 Reading and Signing was:

21 ___ requested ___ waived _X_ not requested.
22
23
24

25 _____
BRIDGET LOMBARDOZZI, CSR, RMR, CRR

Transcript Word Index

